10 September 1980

MEMORANDUM FOR THE RECORD

Staff Meeting Minutes of 10 September 1980

The Director chaired the meeting.	25X1
McMahon called attention to today's New York Times report (attached) that Senators Moynihan and Wallop have agreed to ask the SSCI to investigate circumstances that led to the exposure and death of a Soviet official who had served as a U.S. spy in Moscow. McMahon noted the HPSCI and SSCI had been briefed on this matter in 1977. A short discussion followed wherein it was agreed that we will prepare to brief members and/or staffs of both Committees.	25x1
Committees.	ZJAI
McMahon asked the Director to request Dr. Brzezinski's support in releasing a particular Presidential Finding; the Director said he would.	25X1
Fitzwater reported that, as of today, new employees have been cleared against entitlements. He noted the difficulty we face between now and l October in bringing people aboard.	25X1 25X1 25X1
Lipton said he met yesterday with OMB and RMS representatives and agreed to schedule budget hearings for CIA components beginning 22 September for a two-week period. He added that OMB intends to examine our budget submissions in greater detail this year.	25X1
recommended and the Director agreed that our response to public/press queries re the aforementioned item in the New York Times and especially to reports of an alleged leak by an NSC high official be treated negatively, i.e., we have no evidence to confirm such allegations.	25X1 25X1
The Director noted to Clarke his concern re minimal reporting by NFAC on the current Libya/Syria situation. Kerr responded that something on this is being prepared The Director observed that the Libya/Syria situation may not have serious foreign policy implications at the moment but should not be ignored. The Director said also he received a note yesterday	25X1
from reporting that Khomeini is being treated by two doctors, one Swiss and one Austrian. He suggested NFAC examine and report as appro-	25X1
priate on any significant implications of Khomeini's health status and a possible near-term transition in the Government of Iran.	25X1
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Hitz called attention to the following:

- --Identities Legislation: Considerable discussion among White House officials on the advisability of pressing for Presidential support in this matter. Relatedly, Hitz said uneasiness is already being registered on the Hill and that it is our task now to keep the pressure on. He said he has been in touch with Morgan Murphy who is doing his best on the Republican side. He noted Vermont's Senator Leahy is leaving town, convinced that legislation will not come up for final vote soon. Hitz said he will ask the Director to seek the support of Senator Byrd and others if appropriate to keep this item moving. In response to a query from Mr. Carlucci, Hitz said the situation on the Republican side is good.
- --Nicaragua: Hitz noted increased anxiety by Oversight Committees requesting briefings on the Nicaraguan situation. Mr. Carlucci explained that he has advised David Aaron we can no longer hold down on such briefings and that we are preparing to provide same. The Director asked that he be kept informed on this especially toward his meeting today with Dr. Brzezinski.
- --Hitz sought further advice on how Intelligence Oversight Committee requests should be handled re the aforementioned New York Times report. McMahon recommended that, if the Committees are to be provided the DDO Blue Ribbon Panel report (1977), caveats be established. Mr. Carlucci advised that oral briefings only will be provided.

25X1

25X1 25X1

--Foreign Service Bill: Hitz said the Joint Economic Committee hearing has been postponed to 23 September. Hitz suggested the Director let this hearing be undertaken by senior OER and OSR officers. The Director responded that he would like to address Sen. Proxmire on certain aspects and that he is pleased with preparation of material thus far.

Attachment

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NEW YORK TIMES, 10 September 1980

2 Senators Urge Inquiry in Case Of a U.S. Spy Exposed in Soviet

By CHARLES MOHR Special to The New York Times

• WASHINGTON, Sept. 9 — Senators Daniel Patrick Moynihan and Malcolm Wallop have agreed to ask the Senate Select Committee on Intelligence to investigate the circumstances that led to the exposure and death of a Soviet official who had served as a United States spy in Mose

Mr. Moynihan, the New York Democrat, and Mr. Wallop, Republican of Wyoming, relayed word of their decision through staff assistants, saying they expected to compose a letter tomorrow to the chairman and vice chairman of the intelligence committee, Senators Birch Bayh, Democrat of Indiana, and Barry Goldwater, Republican of Arizona.

A member of the Senate staff said that the two Senators wanted to determine whether the United States had suffered a "major defeat" in the intelligence war and "do we know why."

Another Senate staff member reported that Senator Gordon H. Humphrey, Republican of New Hampshire, asked the Director of Central Intelligence, Adm. Stansfield Turner, last week about the status of any Federal Bureau of Investigation investigation into the case.

The case, which may have political as well as intelligence implications, has been the focus of Washington gossip and the subject of several press accounts.

Account of a Conversation

One political aspect of the matter is an accusation that the last communication of the new dead Soviet official purported to describe a conversation between former Secretary of State Henry A. Kissinger and Ambassador Anatoly F. Dobrynin of the Soviet Union in which Mr. Kissinger was allegedly critical of the March 1977 bargaining position of President Carter on nuclear arms talks.

A second political question, and one of national security as well, involves unsubstantiated and unattributed accusations that a senior official of the National Security Council staff attached to the White House was in some degree responsible, through an indiscretion, for divulging the Russian's identity.

Mr. Kissinger has vigorously denied suggestions that he may have encouraged the Soviet Union to reject President Carter's 1977 proposals for major reductions in strategic nuclear weapons. And there have also been strong denials that any White House official's indiscretion caused the death of the spy in Moscow.

There is apparently no dispute about some basic aspects of the affair. Senator Wallop said in a brief telephone interview this evening: "We lost a rather remarkable intelligence asset and we want to know why."

Several sources said that the C.I.A. was able in the early 1970's to recruit a Soviet diplomat working at an embassy abroad and to persuade him to continue to

Senators furnish information after he was reas-

The Soviet press reported in 1978 that an official named Anatoly N. Filatov hadbeen tried for treason and executed. He is believed to hve been the agent known here as Trigon. But some sources believe he committed suicide in 1977 after being discovered by the Soviet security service, the K.G.B.

The intelligence community in Washington and circles in Congress circles have been aware for some time that the last information received from the agent was what purported to be a copy of a cable from Ambassador Dobrynin describing an April 11, 1977, breakfast meeting between the Ambassador and former Secretary of State Kissinger.

A former C.I.A. official, David Sullivan, was dismissed from the agency after admitting that he gave an account of the Soviet cable to Richard Perle, a former aide to Senator Henry M. Jackson, Democrat of Washington. Mr. Sullivan nowworks for Senator Humphrey of New-Hampshire, who signed the letter, dated Sept. 4, to the C.I.A. director inquiring about the case.

One aspect about which there is disagreement is whether the Dobrynin cable is an authentic or reasonably accurate account of the Kissinger breakfast remarks or a deliberate bit of Soviet "disinformation."